

# Draft National Development Framework Research Briefing

October 2019



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**Senedd Research**  
**National Assembly for Wales**  
**Tŷ Hywel**  
**Cardiff Bay**  
**CF99 1NA**

Tel: **0300 200 6328**

Email: [Elfyn.Henderson@Assembly.Wales](mailto:Elfyn.Henderson@Assembly.Wales)

Twitter: [@SeneddResearch](https://twitter.com/SeneddResearch)

Blog: [SeneddResearch.blog](http://SeneddResearch.blog)

LinkedIn: [Senedd Research, National Assembly for Wales](https://www.linkedin.com/company/senedd-research)

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National Assembly for Wales  
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# **Draft National Development Framework**

## Research Briefing

October 2019

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**Author:**

Elfyn Henderson



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## Introduction

The Welsh Government is consulting on its first draft **National Development Framework (NDF) for Wales**. The NDF is a statutory requirement and will set out the Welsh Government’s strategy for addressing its national priorities through the planning system. The final NDF is due to be published in September 2020.

The process for developing the NDF began in 2016 and consists of a number of key stages. This briefing aims to summarise events to date by providing an overview of:

- the process for developing the NDF;
- the NDF preferred option, published in April 2018;
- Assembly Committee scrutiny of the NDF preferred option; and
- the draft NDF, published in August 2019.

## Background

The **Planning (Wales) Act 2015** (the Planning Act) introduced two new levels of development plan, which will sit above existing **Local Development Plans** (LDPs):

- a NDF covering the whole of Wales; and
- **Strategic Development Plans** (SDPs) covering distinct regions.

The NDF will set out the Welsh Government's policies on development and land use in a spatial context. It will set out a 20 year land use framework and be reviewed at least every five years.

Unlike its predecessor, the **Wales Spatial Plan**, the NDF will have development plan status. This means that planning decisions must be made in accordance with it and all SDPs and LDPs must be in conformity with it.

SDPs are regional plans that will sit between the NDF and LDPs in certain parts of Wales, and will deal with issues that cut across a number of local planning authority (LPA) areas (but are not of national significance). There is currently no statutory duty to produce SDPs. However the draft NDF document, discussed later in this briefing, includes a policy that 'requires SDPs to come forward'.

### Purpose of the NDF

At the beginning of the process, the Welsh Government set out the purpose of the NDF as:

- setting out where nationally important growth and infrastructure is needed and how the planning system can deliver it;
- providing direction for SDPs and LDPs;
- supporting determination of applications under the **Developments of National Significance (DNS)** regime;
- supporting national economic, transport, environmental, housing, energy and cultural strategies and ensuring they can be delivered through the planning system; and
- sitting alongside **Planning Policy Wales (PPW)**, which sets out the Welsh Government's national planning policies and will continue to provide the context for land use planning.

The latest version of PPW (Edition 10) was published in December 2018, having been revised to take account of the Well-being of Future Generations (Wales) Act 2015.

### Developing the NDF

Work to develop the NDF began in 2016 with the final version currently due to be published in September 2020. The Welsh Government has **published a timeline** showing the various stages involved in developing the NDF. This includes:

- gathering evidence and undertaking engagement to develop the vision, objectives and options for the NDF (October 2016 – March 2018);
- publishing and consulting on issues, options and the NDF preferred option, supported by environmental reports and assessments (April 2018 – July 2018);
- considering responses to the preferred option consultation and preparing the draft NDF (July 2018 – August 2019);
- consulting on the draft NDF, considering responses and preparing a consultation report (August 2019 – March 2020);
- the National Assembly for Wales considering the draft NDF (April – June 2020); and
- publishing the final NDF (September 2020).

The Planning Act requires the draft NDF to be considered by the Assembly before the final NDF is published. The Assembly will have 60 sitting days to consider it. As set out in the timeline above, the Assembly is due to consider the draft NDF from April – June 2020.

The Welsh Ministers must take account of any resolution or recommendations made by the Assembly, or any of its committees, in deciding whether or not the draft NDF should be amended. The Welsh Ministers must publish a statement alongside the final NDF outlining how they have had regard to the Assembly's resolutions or recommendations.

The Assembly's **Climate Change, Environment and Rural Affairs (CCERA) Committee** scrutinised the NDF preferred option in June 2018. More information on this can be found later in this briefing.

## NDF preferred option

The Welsh Government consulted on its **preferred option for the NDF** between April and July 2018.

The **preferred option consultation document** (PDF, 4MB) did not present a draft version of the NDF, rather it set out a vision, objectives and preferred option to provide the basis for developing the draft NDF.

The details of the policies the NDF will set for each part of Wales were not outlined at this stage. However the preferred option did set out a series of nationally important spatial issues and the potential direction for a number of policy areas.

The Welsh Government has published a **summary of responses** (PDF, 438KB) to the consultation.

### Vision and objectives

The preferred option consultation document set out the Welsh Government's vision of 'Sustainable Places':

Sustainable Places are the goal of the land use planning system. The NDF will help deliver sustainable places across Wales by 2040, by supporting positive placemaking and ensuring that our spatial choices direct development to the right places, make the best use of resources, create and sustain accessible, healthy communities, protect our environment and support prosperity for all.

It also set out four goals within the vision:

- distinctive and natural places;
- productive and enterprising places;
- active and social places; and
- prosperous, distinctive and diversified regions.

In addition, the preferred option consultation document set out 27 NDF objectives. The objectives and the evidence base behind them can be found in **Appendix A - NDF Issues** (PDF, 17MB) which accompanied the consultation document.

## Preferred option

The Welsh Government's preferred option outlined 'the spatial framework for the development of the NDF' and contained five themes, the first four of which mirror the structure of the revised PPW:

- placemaking;
- distinctive and natural places;
- productive and enterprising places;
- active and social places; and
- Wales' regions.

### Placemaking

The concept of 'placemaking' is at the heart of the Welsh Government's new approach to planning policy and featured strongly in both the NDF preferred option and also in the revised PPW. PPW describes placemaking as an inclusive process, involving all those with an interest in the built and natural environment. It considers issues at all levels, from the global scale, such as climate change, to the local scale, such as amenity impact on neighbours.

The NDF preferred option stated that the placemaking theme 'represents the first principle through which all spatial choices are first considered. Decisions taken to support other themes, must first demonstrate that they are compatible with placemaking.'

The preferred option focused on three aspects of placemaking:

- decarbonisation and climate change;
- health and well-being; and
- cohesive communities and the Welsh language.

Senedd Research has published a **blog post on placemaking** and the Assembly debated **the role of the planning system in placemaking** in May 2018.

## Distinctive and natural places

Under this theme the consultation document stated that the NDF will identify national natural resources, areas of environmental risk, and nationally important landscapes. It also stated the NDF will identify opportunities for expanding these nationally important areas, for new green infrastructure and new 'national cultural development'.

## Productive and enterprising places

Under this theme the preferred option stated that the NDF will identify locations where a number of policies will be implemented. While the preferred option did not go as far as to identify specific places, it set out that the NDF will identify:

- locations for new national scale renewable and low-carbon energy generation and a framework for establishing local community owned renewable energy schemes;
- important employment, regeneration, mineral and waste areas, existing and new locations for strategic economic growth sectors (including the foundational sectors, which include care, tourism, food and retail);
- policies to promote cross-border economic development with adjoining English regions; and
- important digital and transport infrastructure.

In addition, the preferred option consultation set out that the NDF will interact with the **Wales National Marine Plan**, which is expected to be published before the end of 2019, on issues straddling the marine-terrestrial planning regimes.

## Active and social places

This theme set out that the NDF will contain policies linking strategic housing development to physical and social infrastructure, including active travel (walking and cycling) infrastructure, and to employment areas, with the aim of providing better facilities and jobs closer to home. It also stated that 'policies will identify a national policy based population and housing projection, which will include an all Wales range of housing numbers'.

## Wales' regions

Under this theme, the preferred option stated that the NDF will provide direction for three regions: North Wales, Mid and South West Wales and South East Wales, and the policy may include a requirement to prepare SDPs. The document also suggested the NDF could 'identify regional policy based population and housing projections for each region, which will include a regional range of housing numbers for the plan period.'

The use of Welsh Government housing figures in developing LDPs has proved controversial in the past and the Fourth Assembly's Environment and Sustainability Committee undertook a **short inquiry into the issue in 2013**.

## Alternative options

Before arriving at the preferred option of Sustainable Places, the Welsh Government tested four alternative options. The Welsh Government has said that the preferred option is hybrid model based on the relative strengths of the four alternative options. The alternative options were:

- **a focus on growth in the strongest market areas** in Wales, providing the infrastructure required to support this;
- **distributing growth and infrastructure across Wales** and focusing on supporting areas in greatest need where markets are weaker;
- **delivering decarbonisation and climate change objectives** by making these issues the primary consideration of policies within the NDF; and
- **focusing on the sustainable management of natural resources** by emphasising agriculture, forestry, renewable energy, water and tourism as ways to develop high quality jobs across the whole of Wales.

A benchmark option of not preparing an NDF was also included.

## Committee scrutiny of the preferred option

The CCERA Committee scrutinised the NDF preferred option in June 2018. This included a **public evidence session with planning experts** and a stakeholder workshop.

Following this work, the **Committee wrote** (PDF, 157KB) to the then Cabinet Secretary for Energy, Planning and Rural Affairs, Lesley Griffiths, in August 2018, seeking clarification on a range of issues. The **then Cabinet Secretary replied** (PDF, 351KB) the following month. The correspondence covered the following themes:

### Interaction with other key policies and plans

The Committee was unclear how the NDF preferred option interacted with other key policies and plans, including:

- PPW – The then Cabinet Secretary responded saying that PPW would be revised further once the final NDF is published in 2020.
- Wales National Marine Plan (in development) – The then Cabinet Secretary noted that she was responsible for both the NDF and the marine plan and that there was a formal and informal programme of liaison between officials working on both documents. She also stated that the sustainability appraisals for both documents are assessing how each is supporting integrated decision-making.

### Infrastructure Commission

The Committee was also unclear about the relationship between the NDF and the National Infrastructure Commission for Wales (NICfW). The then Cabinet Secretary said her officials would be ‘establishing mechanisms to work together’ with the NICfW.

The purpose of the NICfW is to provide expert impartial advice to the Welsh Government on long-term strategic economic and environmental infrastructure needs. It will also consider how these needs interact with social infrastructure, such as schools and hospitals. The Minister for Housing and Local Government, Julie James, **stated in September 2019 that she intends to expand the NICfW’s remit** (PDF, 282KB) to include construction methods, finance models and the strategic infrastructure required to support housing delivery,

The NICfW’s annual report is expected in November and its first ‘State of the Nation report’ before the end of 2021.

Note that the Welsh Government also intends for the NDF to complement the **Wales Infrastructure Investment Plan**.

### Placemaking

The Committee generally supported the concept of placemaking, but expressed some reservations and suggested there should be more emphasis on people and communities within the definition, including a focus on homes and jobs. The then Cabinet Secretary stated that, for consistency, the NDF would use the same definition of placemaking as PPW.

### Three regions

The Committee wanted to understand the reasoning behind choosing the three regions – North Wales, Mid and South West Wales and South East Wales – particularly given that **research undertaken on behalf of the Welsh Government** recommended four regions.

The then Cabinet Secretary responded saying that the three regions matched those in the Welsh Government’s **Economic Action Plan** to ensure a coordinated approach from government but that she would reflect further on the consultation responses on this matter. She also said that while there were three regions, it may be appropriate to have more than one SDP or a combination of an SDP and joint LDPs within a region.

### Strategic Development Plans

The Committee was concerned that SDPs were not coming forward and the impact this could have on what the NDF has to cover. The then Cabinet Secretary stated that her preference was for LPAs to prepare SDPs voluntarily. She **wrote to LPAs in December 2017** encouraging them to work together on SDPs and LDPs.

## Housing figures

The Committee was also concerned that the ‘range of housing numbers’ suggested in the preferred option could be interpreted as a target and that the language used in the document suggested a top down rather than bottom up approach. The Committee had heard from stakeholders who preferred to see housing figures based on local need and aggregated into regional and national figures. These figures should also include different housing types to reflect local housing needs, such as social and affordable housing.

The then Cabinet Secretary responded saying her officials were working on a new process for establishing the housing figures for the NDF, with the intention of providing a range of numbers at a range of levels in a consistent way. She added that this would be in addition to any locally derived numbers which may inform the SDP or LDP process.

## Draft NDF

The Welsh Government published the draft NDF for consultation on 7 August 2019. It had intended to launch the consultation in July, however this was **delayed due to the Brecon and Radnorshire Westminster by-election** which took place on 1 August. The consultation runs for 14 weeks and closes on 15 November 2019.

Nine different **documents were published** as part of the consultation:

- **Draft National Development Framework (PDF, 7MB)**
  - ◆ **Easy read version (PDF, 39MB)**
  - ◆ **Young person’s summary (PDF, 4MB)**
  - ◆ **Consultation document (PDF, 280KB).** The consultation document links to a number of strategies, research papers and other publications that have informed development of the NDF.
- **Integrated Sustainability Appraisal report (PDF, 5MB)**
  - ◆ **Integrated Sustainability Appraisal report: non-technical summary (PDF, 556KB)**
- **Habitats Regulations Assessment report (PDF, 16MB)**
  - ◆ **Habitats Regulations Assessment appendix A: rules of thumb (PDF, 12MB)**
  - ◆ **Habitats Regulations Assessment appendix B: implications for the Natura 2000 network of priority areas of solar and wind energy development across Wales (PDF, 16MB)**

In addition, the Welsh Government published an updated **Statement of Public Participation** in July 2019.

### Draft NDF document

The draft NDF has five chapters:

- Chapter 1 sets out the purpose of the NDF and describes how it fits within wider Welsh Government policy;
- Chapter 2 outlines key challenges and opportunities facing Wales over the next 20 years;



- Chapter 3 lists the ‘NDF outcomes’, which are the Welsh Government’s overarching ambitions for what it wants Wales to be like in 20 years’ time;
- Chapter 4 sets out a spatial strategy which includes a policy framework for all-Wales issues of national importance and a ‘strategic diagram’ (i.e. a high level map); and
- Chapter 5 sets strategy for nationally important issues in the three regions – North Wales, Mid and South West Wales and South East Wales.

The draft NDF contains 33 policies, which it sets out in Chapters 4 and 5. A grid at the end of the document shows the relationship between the NDF policies and the NDF outcomes they seek to achieve.

The NDF outcomes and policies are described in more detail below, with illustrative examples of spatial aspects of wider policies linked to the outcomes.

### Chapter 3 - NDF outcomes

There are 11 NDF outcomes and they are based on the ‘national planning principles’ and ‘national sustainable placemaking outcomes’ set out in PPW. They are a ‘Wales where people live’:

1. and work in connected, inclusive and healthy places;
2. in vibrant rural places with access to homes, jobs and services;
3. in distinctive regions that tackle health and socio-economic inequality through sustainable growth;
4. in places with a thriving Welsh language;
5. and work in towns and cities which are a focus and springboard for sustainable growth;
6. in places where prosperity, innovation and culture are promoted;
7. in places where travel is sustainable;
8. in places with world-class digital infrastructure;
9. in places that sustainably manage their natural resources and reduce pollution;
10. in places with biodiverse, resilient and connected ecosystems; and
11. in places which are decarbonised.

### Chapter 4 - Spatial Strategy (Policies 1-15)

The Spatial Strategy identifies three ‘National Growth Areas’ stating that new large-scale employment and housing growth will occur predominantly in these areas. The National Growth Areas are:

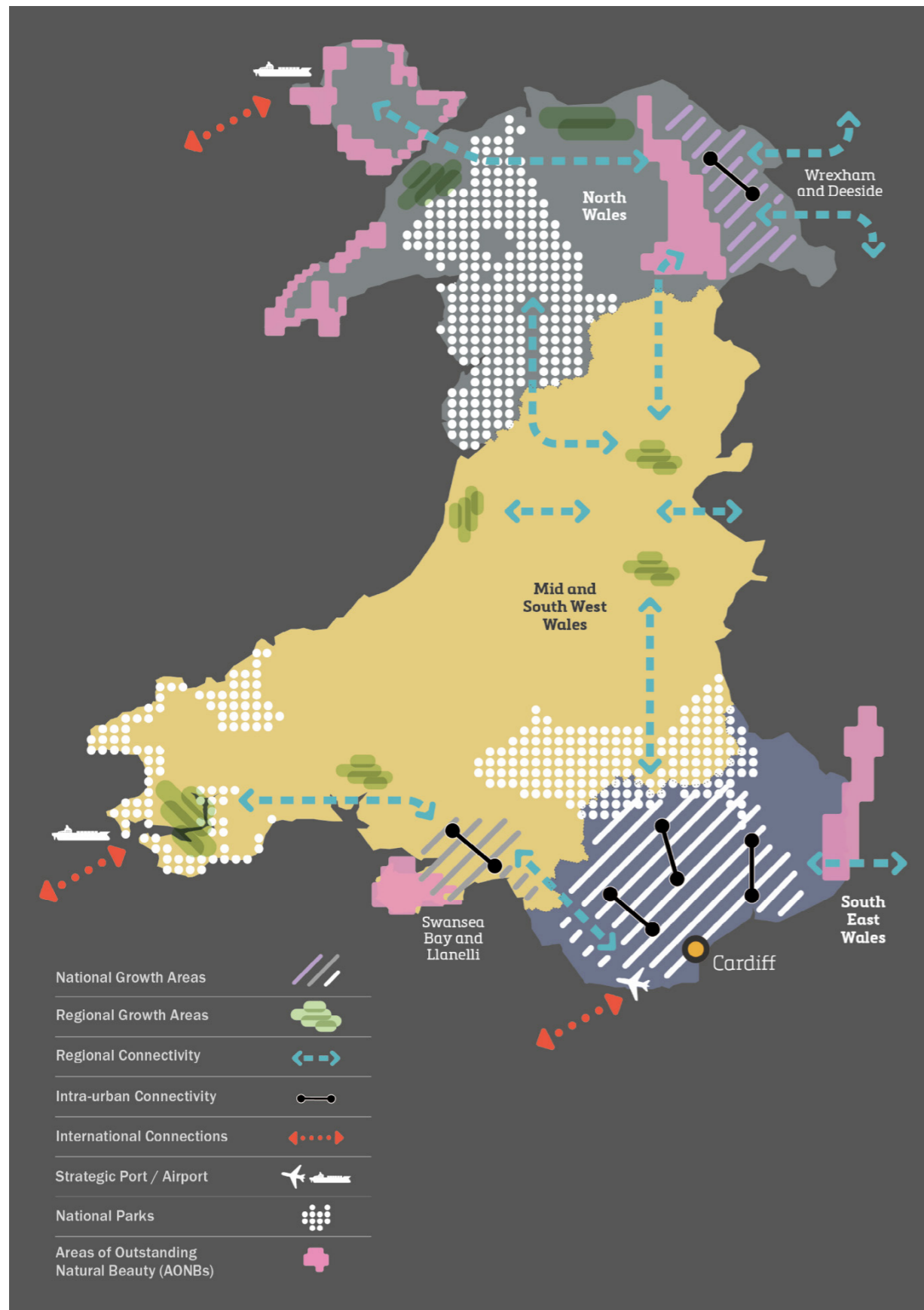
- Cardiff, Newport and the Valleys;
- Swansea Bay and Llanelli; and
- Wrexham and Deeside.

Smaller ‘Regional Growth Areas’ are also identified as are intra-urban, regional and international connections.

The Spatial Strategy also sets out policies for issues of national importance including renewable energy, affordable housing, mobile communications, ecological networks and charging infrastructure for electric vehicles. The policies are summarised below.

From a transport perspective, the Minister for Economy and Transport, Ken Skates, **set out his ‘principles for public transport connectivity’** in a September 2019. The Minister said ‘I expect these principles to be considered when infrastructure schemes are being planned and services procured’. With a focus on mass passenger transport, he said further work is being done on ‘private transport, freight and other modes’. The statement set out principles at a ‘strategic’, ‘regional’ and ‘urban/local’ level. The principles will form part of the new Wales Transport Strategy (WTS) which is currently in development. The WTS is identified in the draft NDF as one of strategies informing the development of the NDF suggesting a relationship between the public transport principles and the spatial approach set out in the NDF.

Figure 1: Draft NDF Spatial Strategy



Source: Draft NDF (page 25)

**Policy 1 – Sustainable urban growth** - Urban growth should support towns and cities that are compact and orientated around urban centres, integrated public transport and active travel networks.

The Welsh Government consulted on a White Paper, **improving public transport**, between December 2018 and March 2019 with a Public Transport (Wales) Bill anticipated in 2020. Where the White Paper consulted on proposals for bus services, taxi and private hire vehicles and regional local government transport planning structure, **the written statement** announcing the consultation outcome suggests the Bill will have a narrower focus on bus services.

Beyond legislative proposals, the Welsh Government’s transport delivery body, Transport for Wales (TfW), **has a remit** to support integrated public transport including:

- role out of rail services under the new franchise and development of the South Wales Metro;
- supporting the Welsh Government in its review of bus services and development of ‘transit orientated development’ around rail stations;
- integrated ticketing and demand responsive services;
- active travel; and
- provision of electric vehicle charging infrastructure.

In its May 2019 report on **the Future Development of Transport for Wales** (PDF 687), the Assembly’s **Economy, Infrastructure and Skills (EIS) Committee** identified ‘an important role for TfW in helping to coordinate land use and transport planning in Wales to deliver an integrated transport network’.

The Welsh Government is currently developing a business case for the future development of TfW’s role.

Previously, in June 2018, **the EIS Committee highlighted** the importance of the link between planning policy and support for active travel. In May 2019, the Deputy Minister for Economy and Transport, Lee Waters, suggested that **the revised PPW was a ‘big step forward’** in strengthening planning guidance for future developments to help support ‘an active travel environment’.

**Policy 2 – Supporting urban centres** - Proposals for new public service facilities of a significant scale should be located in town and city centres. Only in exceptional circumstances should they be approved elsewhere.

**Policy 3 – Public investment, public buildings and publicly owned land** - The Welsh Government will work with others to ensure developments of a significant scale on publicly owned land are located in town and city centres which are accessible by walking, cycling and public transport. SDPs and LDPs should identify publicly owned land that is appropriate for development.

**Policy 4 – Supporting rural communities** - Rural areas are best planned for in SDPs and LDPs. Growth in rural towns and villages should be appropriate and proportionate.

**Policy 5 – Delivering affordable homes** - The Welsh Government will increase delivery of affordable homes by ensuring that funding is used more effectively. SDPs and LDPs:

... should develop strong evidence based policy frameworks to deliver affordable housing, including setting development plan targets based on regional estimates of housing need and local assessments. In response to local and regional needs, they should identify sites for affordable housing led developments and explore all opportunities to increase the supply of affordable housing.

The draft NDF uses the Welsh Government’s **Estimates of housing need in Wales by tenure (2018-based)** publication which includes a number of different demographic scenarios. The draft NDF uses the central estimate which suggests that:

- 114,000 additional homes are needed across Wales by 2038;
- during the first five years (2018/19 to 2022/23), an average of 8,300 new homes will be required annually, with 57% of them needed in South East Wales, 24% in Mid and South West Wales and 19% in North Wales; and
- affordability should be the key focus with 47% of new homes during 2018/19 to 2022/23 needing to be affordable housing (social housing or intermediate rent). This represents an average of 3,900 affordable homes and 4,400 market homes annually over the five year period.

It is important to note that the estimates of housing need publication states that these figures come with the caveat that they **should not be used as housing targets**, rather they should ‘form a basis of discussion for policy decisions’.

Note also that the central estimate is a single figure, rather than the range of numbers referred to in the NDF preferred option and in the then Cabinet Secretary’s subsequent correspondence with the CCERA Committee.

The housing figures are broken down by the three regions later in the draft NDF, and are summarised in the table below. The draft NDF states that ‘these estimates provide part of the evidence and context on which housing requirements for SDPs can be based’ (pages 51, 58 and 66).

**Table 1: Draft NDF regional housing figures**

Draft NDF region	Additional homes needed by 2038	Percentage of additional homes in the first five years (2018-19 to 2022-23) that should be affordable homes
North Wales	19,400	51%
Mid and South West Wales	23,400	44%
South Wales	71,200	48%

Source: **Draft NDF** (pages 51, 58 and 66), based on the Welsh Government’s **Estimates of housing need in Wales by tenure (2018-based)**.

The Welsh Government has a separate target of delivering 20,000 additional affordable homes during the Fifth Assembly. That target includes 6,000 homes delivered through the Help to Buy Wales scheme, although those properties would generally not meet the definition of affordable housing outlined in **Technical Advice Note 2: planning and affordable housing**.

The **Independent review of affordable housing supply: report** was commissioned by the Welsh Government and published in May 2019. It made a number of recommendations for action to increase the supply of affordable homes, all but one of which were accepted by the Welsh Government.

**Policy 6 – Planning in Mobile Action Zones** - The Welsh Government will identify ‘Mobile Action Zones’ focusing on areas of little or no coverage and where there is demand for new infrastructure. In these zones, LPAs and telecommunications operators should work together to increase mobile coverage by identifying locations for new equipment and infrastructure. Considerable weight will be given to the need to increase coverage, with a presumption in favour for new mobile telecommunications infrastructure, provided there are no significant adverse landscape impacts.

The Welsh Government published its **Mobile Action Plan** in October 2017. The plan sets out how the Welsh Government will use the devolved levers at its disposal – such as planning and business rates – as well as working with the mobile phone industry and Ofcom (the communications regulator) to improve mobile coverage.

**Policy 7 – Ultra low emission vehicles** - The Welsh Government will work with the UK Government and others to plan for and implement the roll out of electric vehicle charging infrastructure, including creating a network of rapid charging points across Wales.

The draft NDF also states that **the Welsh Government will produce a strategy for electric charging infrastructure**, but does not set out a timeframe for doing so.

The Welsh Government told the EIS Committee in evidence to its **electrical vehicle charging infrastructure inquiry** that it planned to use TfW to procure charging infrastructure. This process would involve the Welsh Government setting out its budget and main objectives, and inviting bids to deliver.

**Policy 8 – Strategic framework for biodiversity enhancement and ecosystem resilience** - The Welsh Government will work with others to identify:

- areas which could be safeguarded as ecological networks because of their importance for climate change adaptation, habitat restoration or creation, or the provision of ecosystem services; and
- opportunities where strategic green infrastructure could be maximised as part of development proposals.

These sites should be included in SDPs and LDPs and, in all cases, development proposals should demonstrate action towards enhancing biodiversity and ecosystem resilience.

The draft NDF also states that priority areas for action identified in Area Statements will be material planning considerations and SDPs/LDPs should set out policies to safeguard these areas.

**Natural Resources Wales is currently preparing** the first round of Area Statements. Area Statements are required by the *Environment (Wales) Act 2016* and are place-based reports which will identify risks, opportunities and priorities relating to the **sustainable management of natural resources**. They are intended to promote partnership working in each area and will identify specific public bodies in addressing challenges around natural resource management. The Area Statements are expected to be published in March 2020.

**Policy 9 – National forest** - The Welsh Government will identify sites and mechanisms to develop a national forest, and will support action to safeguard proposed locations.

The draft NDF states that a national forest is likely to be dispersed across a number of locations and will help to achieve the Welsh Government’s target of planting at least 2,000 hectares of new woodland annually from 2020, which is set out in its **Woodlands for Wales strategy**.

#### **Energy and heating policies (Policies 10-15)**

The draft NDF sets out five policies relating to renewable energy and District Heat Networks. It states that the Welsh Government takes a ‘traffic light based approach’ to policy on large scale wind and solar renewable energy projects:

- **Red:** Large scale on-shore wind and solar energy development is not appropriate within National Parks and Areas of Outstanding Natural Beauty (AONBs).
- **Amber:** Areas not within the Priority Areas for solar and wind energy. These will not carry explicit Welsh Government support and proposals will be determined on their individual merits.
- **Green:** Priority Areas for solar and wind energy where there is a presumption in favour of development and where the principle of landscape change is accepted.

A **‘strategic review of landscape and visual impact’**, prepared on behalf of the Welsh Government, identified the Priority Areas as the most appropriate locations to accommodate landscape change.

The draft NDF states that bringing a critical mass of renewables developments together in the Priority Areas will build the case for new reinforced grid infrastructure.

**Policy 10 – Wind and solar energy in Priority Areas** - The Welsh Government supports large scale on-shore wind and solar energy development in the Priority Areas that it has identified. There is a presumption in favour of development for these schemes and an ‘associated acceptance of landscape change’.

When determining planning applications for large scale on-shore wind and solar energy development in Priority Areas, significant weight will be given to the proposal's contribution to reducing Wales' greenhouse gas emissions and meeting decarbonisation and renewable energy targets. Planning applications must also demonstrate how local social, economic and environmental benefits have been maximised and adverse impacts on the following have been **minimised**:

- landscape and visual impacts;
- cumulative impacts;
- the setting of National Parks and AONBs;
- visual dominance, shadow flicker, reflected light or noise impacts;
- electromagnetic disturbance to existing communications systems; and
- the following identified protected assets:
  - ◆ archaeological, architectural or historic assets;
  - ◆ nature conservation sites and species; and
  - ◆ natural resources or reserve.

The *Environment (Wales) Act 2016* committed the Welsh Government to an 80% emissions reduction by 2050. In June 2019, the Minister for Energy, Planning and Rural Affairs, Lesley Griffiths, **set out the Welsh Government's plan** to bring forward further regulations, committing Wales to a 95% emissions reduction by 2050, with an ambition to achieve net-zero emissions. In **A low carbon Wales**, the Welsh Government sets out a range of policies and proposals relating to renewable energy, including:

- delivering renewable energy targets;
  - ◆ generating 70% of Wales' electricity consumption from renewables by 2030;
  - ◆ 1 GW of renewable electricity capacity in Wales to be locally owned by 2030; and
  - ◆ renewable energy projects to have at least an element of local ownership from 2020.
- delivering routes to market for renewable technologies; and
- exploring potential for investment and new approaches to energy.

The draft NDF states that not all of the area within the Priority Areas is suitable for renewable energy generation; culminative effects should be taken into account and Natura 2000 sites are excluded.

**Natura 2000** is an EU-wide network of protected areas. It aims to ensure the long-term survival of Europe's most valuable and threatened species and habitats, listed under both the **EU Habitats Directive** and the **EU Birds Directive**.

The draft NDF states that **guidance will be produced on the development of on-shore wind and solar energy schemes in Priority Areas**. No timeframe is provided for the development of this guidance.

Implementation of developments within the Priority Areas will be monitored against the Welsh Government's renewable energy targets.

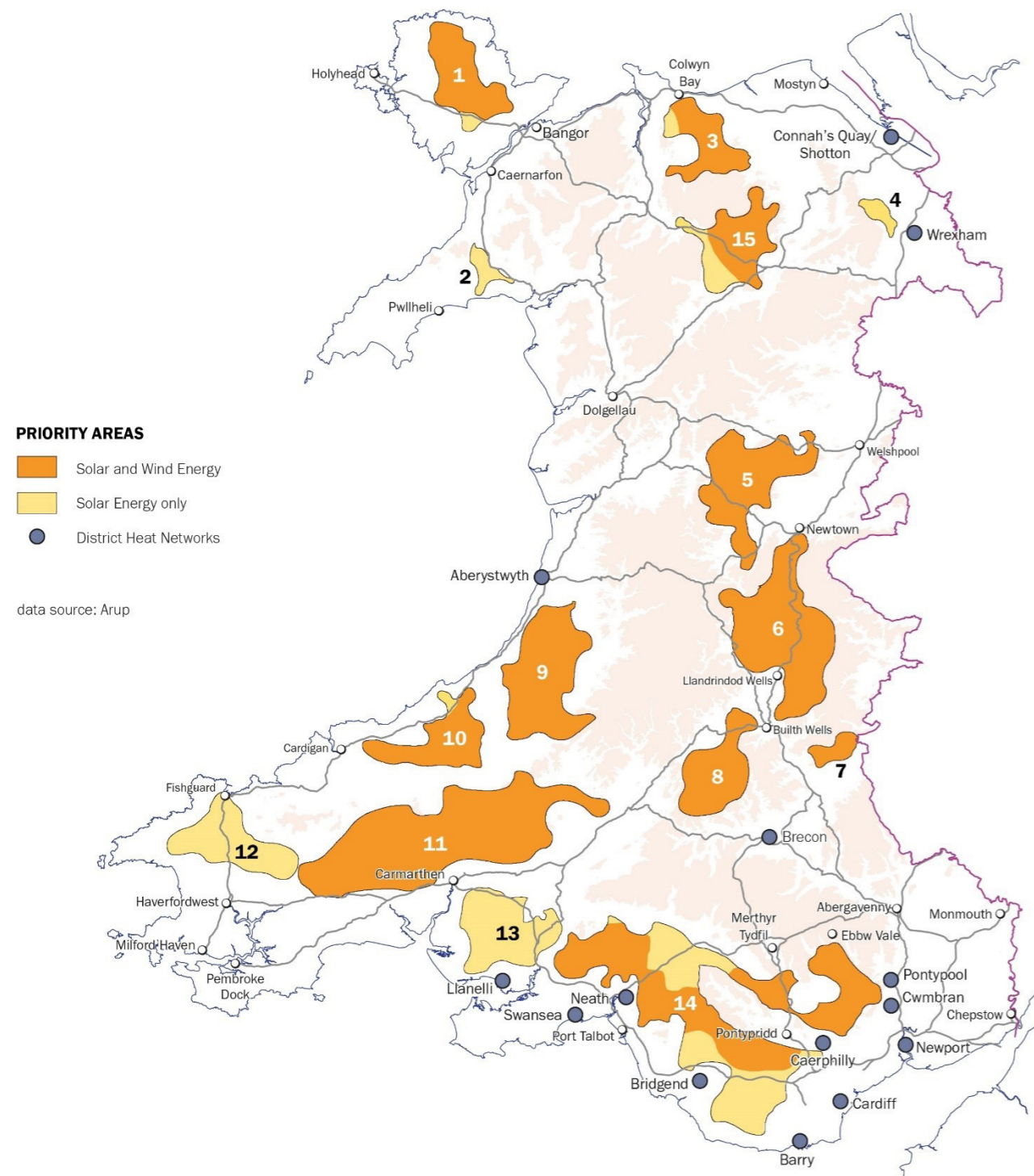
**Policy 11 – Wind and solar energy outside of Priority Areas** - Outside of the Priority Areas, planning applications for large scale wind and solar development must demonstrate how local social, economic and environmental benefits have been maximised and that there are **no unacceptable adverse effects** on the same criteria listed in Policy 10.

**Policy 12 – Wind and solar energy in National Parks and Areas of Outstanding Natural Beauty** - Large scale wind and solar energy development is not acceptable in these areas.

**Policy 13 – Other renewable energy developments** - Proposals for other large scale renewable energy generation will be determined in accordance with the criteria set out in Policy 11.

The draft NDF states that renewable energy sources other than wind and solar are supported in principle and **the Welsh Government is preparing an 'Energy Atlas' to identify opportunities for all types of renewable projects**. No timeframe is provided for the development of the Energy Atlas.

**Figure 2: Draft NDF Wind and Solar Energy in Priority Areas**



Source: **Draft NDF** (page 42)

**Policy 14 - Priority Areas for District Heat Networks** - Within Priority Areas for District Heat Networks, LPAs should identify opportunities for District Heat Networks and ensure they are integrated within new and existing development.

**District Heat Networks** are a method of delivering heating and hot water to multiple buildings from a central heat source. The draft NDF states that they can be the most effective way of providing low carbon heat, particularly in urban areas.

**Policy 15 - Masterplanning for District Heat Networks** - Large scale mixed use development should, where feasible, have a District Heat Network. Planning applications for such development should prepare an Energy Masterplan to establish whether a District Heat Network is the most effective energy supply option and, where feasible, implement it.

The draft NDF states that, as a minimum, proposals for mixed use developments of 100 dwellings or more should consider the potential for a District Heat Network, though there is also potential for them below this threshold.

#### Chapter 5 - The regions (policies 16-33)

**Policy 16 - Strategic policies for regional planning** - The Welsh Government requires SDPs to come forward in each of the three regions. SDPs should establish for the region:

- a spatial strategy;
- a settlement hierarchy;
- the housing provision and requirement;
- the gypsy and traveller need;
- the employment provision;
- the spatial areas for strategic housing and employment growth, renewable energy and the identification of green belts, green corridors and nationally important landscapes;
- the location of key services, transport and connectivity infrastructure;
- a framework for the sustainable management of natural resources and cultural assets;
- ecological networks and opportunities for protecting or enhancing the connectivity of these networks; and
- a co-ordinated framework for minerals extraction and the circular economy, including waste treatment and disposal.

SDPs should also shape and be shaped by other regional strategies such as the Welsh Government's regional economic development plans and the city and growth deals: **North Wales Growth Deal**; **Swansea Bay City Deal**; and the **Cardiff Capital Region City Deal**.

The Welsh Government's **Economic Action Plan**, published in December 2017, set out plans to develop a regionally-focussed economic development model that addresses regional inequalities. The action plan states:

We have appointed Chief Regional Officers to lead each of the three regions. They will be the regions in government, feeding back local intelligence to tailor our delivery. Critically, they will provide leadership, coordination, planning and alignment within the region. **This will include bringing partners together to develop and deliver regional business plans that identify regional priorities and opportunities.** [Senedd Research emphasis]

The Chief Regional Officers will work with others to harness the advantages of the emerging City and Growth Deals, the new Development Bank of Wales and Regional Skills Partnerships.

... This transition to introduce a regionally focussed model of economic development will bring benefits including:

- ◇ Joined up economic development planning.
- ◇ Stronger local and regional supply chains.
- ◇ Better integrated transport.
- ◇ Strategic planning on a range of issues from land use to housing to skills.
- ◇ Stronger complementary economic and cross border collaboration.

**The regional business plans have not been published yet.** However, when questioned on this **in EIS Committee in July 2019** the Minister for Economy and Transport, Ken Skates, stated that 'frameworks or plans will be published by the end of this calendar year'.

#### **North Wales (Policies 17-22)**

**Policy 17 - Wrexham and Deeside** - Wrexham and Deeside are the primary focus for regional growth and investment. Their role within the North Wales region and the cross-border areas of Cheshire West and Chester and Liverpool City Region should be maintained and enhanced.

The SDP and LDPs in the region should recognise Wrexham and Deeside as the focus for strategic housing and economic growth, essential services and facilities, advanced manufacturing, transport and digital infrastructure.

The Welsh Government will work with cross-border authorities to promote Wrexham and Deeside's strategic role and ensure key investment decisions support Wrexham and Deeside and the wider region.

**Policy 18 - North Wales coastal settlements** - The 'built up coastal arc' from Caernarfon to Deeside is the focus for 'managed growth'. The SDP and LDPs in the region should recognise the role of this corridor as a focus for housing, employment and key services.

The draft NDF also states that delivering new housing is an important task for the regional planning process. It presents the Welsh Government's central estimates for the North Wales region as **19,400 additional homes by 2038. During the first five years (2018-19 to 2022-23), 51% of the additional homes needed should be affordable homes.**

**Policy 19 - Green belts in north Wales** - The SDP should establish green belts to manage urban form and growth, particularly around Wrexham and Deeside and in the context of the existing green belt in Cheshire West and Chester.

**Policy 20 - Port of Holyhead** - The Welsh Government will work with port operators and others to ensure the port's strategic gateway role is maintained and enhanced. This includes improving capacity to accommodate cruise ships. New development around the port should be managed carefully so as not to compromise future change and expansion.

Stena Line and the Welsh Government developed a Port of Holyhead: Masterplan refresh in 2018. However, the document has not been published.

**Policy 21 - Transport links to north west England** - The Welsh Government will work with local and regional authorities in north Wales and north west England to ensure transport investments, including in the **North Wales Metro**, strengthen cross-border transport links. The SDP and LDPs should support improved transport links between north Wales, Chester, Liverpool and Manchester, and plan growth to maximise the opportunities arising from better regional connectivity.

Alongside plans for the North Wales Metro, in February 2019 **the Welsh Government announced** that an updated Memorandum of Understanding had been signed with English sub-national body **Transport for the North** to strengthen cross-border transport links. The agreement includes establishment of a 'West and Wales Transport Forum' to bring together key stakeholders including the Welsh and UK Governments, and Transport for the North.

**Policy 22 – North west Wales and energy** - North west Wales is a location for new energy development and investment. Such development should support communities, provide jobs and investment in training and skills, and work with universities and businesses across the region and north west England to co-ordinate and maximise new investment.

In determining any applications for nuclear energy generating stations, consideration should be given to the need for further non-renewable energy generation, their contribution towards Wales' energy mix, their impacts on the natural and historic environment and their economic benefits.

The draft NDF also affirms the Welsh Government's support for the **North West Nuclear Arc** initiative, which is a shared vision (with the UK Government, universities and the **National Nuclear Laboratory**) for realising the benefits of the nuclear power sector for local communities. The Arc stretches from north Wales through Cheshire, the Sheffield City Region, Greater Manchester and Lancashire, to Cumbria. The key sites in north Wales are Wylfa and Trawsfynydd.

The draft NDF also notes the **Anglesey Energy Island Programme**.

#### **Mid and West Wales (Policies 23-26)**

**Policy 23 – Swansea Bay and Llanelli** - Swansea Bay and Llanelli will be the main focus for regional scale growth and investment. The SDP and LDPs should recognise Swansea Bay and Llanelli as the focus for strategic growth, essential services and facilities, transport and digital infrastructure.

The Welsh Government will promote Swansea Bay and Llanelli's strategic role and ensure key investment decisions support it and the wider region.

**Policy 24 – Regional centres** - Carmarthen, Llandrindod Wells, Newtown, Aberystwyth and the four 'haven towns' (Milford Haven, Haverfordwest, Pembroke and Pembroke Dock) will be the focus for managed growth. The SDP and LDPs should recognise the roles of these towns as being a focus for housing, employment and key services.

The Welsh Government's central estimates for the Mid and West Wales region indicate that **23,400 additional homes will be needed by 2038. During the first five years (2018-19 to 2022-23), 44% of the additional homes needed should be affordable homes.**

**Policy 25 – Haven Waterway** - The Welsh Government supports continued operations and future development at **Haven Waterway** in south Pembrokeshire. The SDP and LDPs should support its growth and seek to maximise the benefits it provides to the region and Wales as a whole. The Welsh Government will work with others to support appropriate new development.

**Policy 26 – Swansea Bay Metro** - The Welsh Government supports the development of the Swansea Bay Metro and will work with others to enable its delivery. The SDP and LDPs should support the scheme and plan growth to maximise opportunities arising from better regional connectivity.

The Welsh Government **has provided funding from its Local Transport Fund** to Swansea City Council to support development of the business case for a south west Wales metro.

#### **South East Wales (Policies 27-33)**

**Policy 27 – Cardiff** - Cardiff will retain and extend its role as the primary national centre for culture, sport, leisure, media, the night time economy and finance.

The Welsh Government supports 'regional development which addresses the opportunities and challenges arising from Cardiff's geographic location and its functions as a capital city'. The Welsh Government supports Cardiff's status as an 'internationally competitive city' and a **UK core city**.

**Policy 28 – Newport** - Newport is the focus for regional growth and investment and should play an increased strategic role in the region. The SDP and LDPs should recognise Newport as a focus for strategic housing and economic growth. essential services and facilities, transport and digital infrastructure.

Development in the wider region should be managed to support Newport's growth. The Welsh Government will work with authorities within the region and in England to promote Newport's strategic role and ensure key investment decisions in Wales and England support Newport and the wider region.

**Policy 29 – The Heads of the Valleys** - There should be co-ordinated regeneration and investment in the Heads of the Valleys area to increase prosperity and address social inequalities. The Welsh Government will work with others to support investment, including in the manufacturing sector, and to ensure a regional approach is taken to addressing the issues.



The SDP and LDPs across the region must identify how they can support the Heads of the Valleys area to deliver greater prosperity, support regeneration and improve well-being.

The Welsh Government's central estimates for the South East Wales region indicate that **71,200 additional homes will be needed by 2038. During the first five years (2018-19 to 2022-23), 48% of the additional homes needed should be affordable homes.**

**Policy 30 – Green belts in south east Wales** - The SDP must identify green belts to manage urban form and growth in south east Wales, particularly around Newport and the eastern part of the region. This should consider the relationship of any new green belts with the green belt around Bristol.

**Policy 31 – Growth in sustainable transit orientated settlements** - Development and growth in the region should be focused in places with good active travel and public transport connectivity. Development should be focused on land close to existing and committed new mainline railway and Metro stations.

The SDP and LDPs should plan growth to maximise the opportunities arising from better regional connectivity. The Welsh Government will work with others to enable delivery of the **South Wales Metro**.

**Policy 32 – Cardiff Airport** - The airport should develop and grow. Proposals to expand capacity, to provide new and improved airport facilities and passenger services, and to improve transport links to the airport are supported. Improvements to accessibility are supported and should prioritise a modal shift from the private car to sustainable transport modes including public transport.

Development of land adjacent to Cardiff Airport which is part of the Enterprise Zone is supported where it supports the functions of the airport. New development around the airport should be managed to ensure future expansion and change at the airport is not constrained.

Cardiff Airport has published **Cardiff Airport 2040 Masterplan** setting out 'ambitious plans for growth over the next 20 years to become a key gateway to the UK'.

**Policy 33 – Valleys Regional Park** - The SDP and LDPs should embed the principles of a new **Valleys Regional Park** into their planning frameworks. The Welsh Government will work with others to support the regional park and maximise opportunities for new development.

## Integrated Sustainability Appraisal

The draft NDF has been subject to an Integrated Sustainability Appraisal (ISA), the report for which has been **published in full** (PDF, 5MB) and as a **non-technical summary** (PDF, 556KB). The ISA aims to satisfy the requirements of **EU Strategic Environmental Assessment (SEA) Directive** and includes a number of other statutory and non-statutory assessments.

It is an iterative process that assesses the emerging NDF against a framework of 17 social, economic, cultural and environmental objectives issues. The ISA report on the draft NDF draws the following conclusions:

- the Spatial Strategy would be expected to result in predominantly positive sustainability impacts, however focusing development in the three National Growth Areas could increase flood risk in these areas, though this could be mitigated;
- the policies would be expected to have neutral or positive effects on the social and economic ISA objectives which are related to improving education, health, economy, employment, connectivity, social cohesion and housing;
- more mixed impacts were identified for the objectives relating to protecting the natural environment, including energy and greenhouse emissions, air quality, flood risk, water, landscapes and townscapes, cultural heritage, biodiversity and geodiversity as well as natural resources; and
- significant negative effects in the long-term were identified for policies 20 and 32 as they would encourage expansion of Port of Holyhead and Cardiff Airport respectively, both of which would be expected to lead to increased greenhouse gas emissions as a result of increased shipping and air shipping movements.

The ISA report makes the following recommendations:

- policies 20 (Port of Holyhead) and 32 (Cardiff Airport) need more detailed analysis to understand their contribution to emissions which could then inform measures to mitigate these impacts;
- the NDF should maximise opportunities to strengthen connectivity between rural areas and more isolated communities with essential services and amenities;
- there should be increased provision of green infrastructure to enhance the natural environment, facilitate walking and cycling routes and provide a range of ecosystem services;

- the NDF could include greater focus on managing flood risk and how this will change as a result of climate change, particularly as development is to be focused in areas where there is already extensive flood risk such as Newport, Cardiff and Deeside;
- the NDF could consider the impact of dense development in urban areas on air quality more closely; and
- development in town and city centres could be required to enhance existing townscape character through high-quality design measures.

The ISA report also proposes a draft framework to monitor the impact of the final NDF. The indicators to be monitored have yet to be confirmed and the framework will be published alongside the final ISA report.

### Habitats Regulations Assessment

The draft NDF has also been subject to a **Habitats Regulations Assessment (HRA)**. The purpose of an HRA is to avoid a plan or project having a significant effect on European designated sites, either alone or in combination with other plans or projects.

The **Conservation of Habitats and Species Regulations 2017** implement the EU Habitats Directive and the EU Birds Directive. The Regulations apply the HRA process to Natura 2000 sites, which are designated under the two Directives, and also to **Ramsar sites**.

The HRA report for the draft NDF 'screened in' 20 policies for more detailed assessment (called 'appropriate assessment'). The conclusions are set out in Table 4 of the **HRA report** (PDF, 16MB). In summary the report concluded:

- It is difficult at this 'very high-level' stage to be clear how the policies in the draft NDF may affect European designated sites, but early avoidance of issues has been a key element throughout the process for developing the NDF.
- None of the policies in the draft NDF is actively directing development in a way that the impacts could not be avoided or mitigated at the lower-tier (SDP/LDP) level.
- Policy 8 (Strategic framework for biodiversity enhancement and ecosystem resilience) provides an overarching safeguard to which the other policies, as well as those in lower-tier plans, will be required to adhere. This is on the assumption that policy 8 will indirectly provide protective buffering for European designated sites.

- Likewise, policy 16 (Strategic policies for regional planning) also requires ecological networks to be identified in lower-tier plans. Again the assumption is that this will provide protective buffering for European designated sites.
- Policies 10, 11, 13 (renewable energy generation), 20 (Port of Holyhead), 21 (Transport links to north west England), 22 (North west Wales and energy), 25 (Haven Waterway), 26 (Swansea Bay Metro) and 32 (Cardiff Airport) all relate to types of development that typically have a higher likelihood of leading to adverse effects on European protected sites. This is because of their size and scale and because they tend to be more likely to be located away from existing urban areas, and/or on the coast, where the risk of conflicting with European sites is higher. The HRA report recommends specific mitigation measures.

